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TO: Rich Camisa DATE: July 27, 1989

FROM: Marketing Information & Analysis/Dorothy Pisarski

SUBJECT: Marlboro Ultra Lights

This information summarizes Marlboro Ultra Lights' performance in Portland (red package/cork tip) and Indianapolis (blue package/white tip).

SUMMARY

	RED/CORK (PORTLAND)	BLUE/WHITE (INDIANAPOLIS)
RETAIL SHARES	1.3	1.6
ICC	0.7	1.7
FACTORY SHIPMENTS	0.4	1.7
INFOSCAN	0.6	1.0

- Based on several data sources, the Blue/White product in Indianapolis currently appears to be outperforming the Red/Cork product in Portland.

  However, caution should be exercised when drawing conclusions from these data:

  - Early indications are that much of the Ultra Lights' trial volume came from Marlboro Ultra Lights.
  - Marlboro Lights' SDI in Portland was 79 while in Indianapolis they performed 40% better (111 SDI).
  - Given similar incidence of Ultra Lights' trial among existing Lights smokers, it is to be expected that early Ultra Lights' shares could be as much as 40% higher in Indianapolis than in Portland.

Adjusting the retail shares in the two markets to account for the Lights' historical performance, the two products appear to have been performing similarly for the past four weeks.

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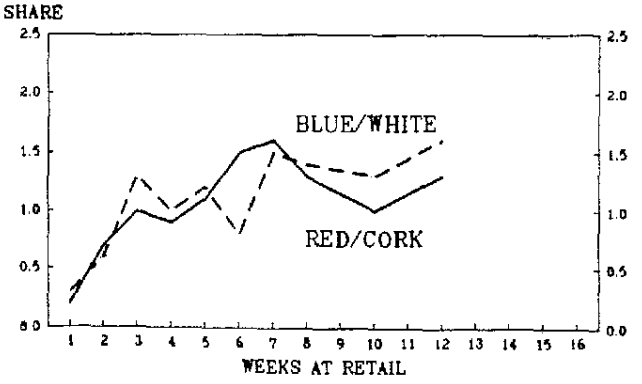
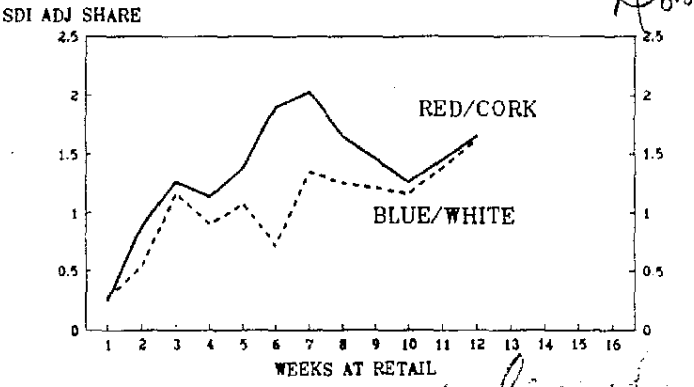
Tom - Not sure how to have these OK? Do you? Dorothy

MARLBORO ULTRA LIGHTS
INDIANAPOLIS (BLUE/WHITE) & PORTLAND (RED/CORK)
RETAIL SHARES



SOURCE: RETAIL AUDITS

MARLBORO ULTRA LIGHTS
INDIANAPOLIS (BLUE/WHITE) & PORTLAND (RED/CORK)
SDI ADJUSTED RETAIL SHARES



SOURCE: RETAIL AUDITS

Portland — Indianapolis

Source: https://www.industrydocuments.ucsf.edu/docs/gndn0004

- Similarly, factory shipment shares, which currently appear to favor the Blue/White products performance, are also somewhat problematical:

  - Factory shipments reflect only those Ultra Lights which are sent to warehouses inside the respective trading areas.

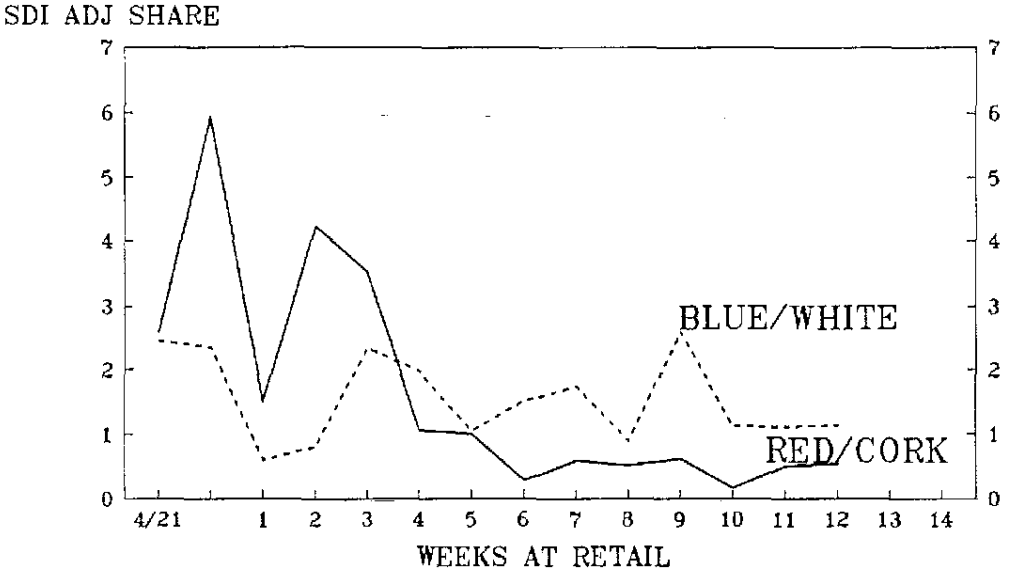
    However, some accounts located outside the trading areas supply retailers within the the test areas. Factory shipments to these direct accounts are not reflected in the shares typically reported.

  - The amount of test product which is supplied from outside the two test areas is estimated to be two to three times greater in Indianapolis than in Portland.

  - To compensate for this disparity, the total of all shipments in to the areas in and around the two test markets was aggregated. Shares were calculated using SPACE estimates of total industry volume for all the retail accounts in the two markets. Finally the data were adjusted for Marlboro Lights SDI's.

  - Although the Blue/White product is currently performing better than the Red/Cork, during the early shipment weeks, this was reversed. On a cumulative basis, the two markets both report adjusted shares of 1.6.

MARLBORO ULTRA LIGHTS
PORTLAND (RED/CORK) & INDIANAPOLIS (BLUE/WHITE)
SDI ADJUSTED SHIPMENT SHARES - SPACE BASED



*SHARES BADED ON TOTAL VOLUME SHIPPED, AS A PERCENTAGE OF ESTIMATED SPACE RETAIL VOLUME

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Source: https://www.industrydocuments.ucsf.edu/docs/gndn0004

Bear in mind that the methodologies above are based on several assumptions, and as such could overestimate the actual adjustments:

1) No test product quantities are shipped to retailers outside the test markets.

2) Retail pipelines are the same in both markets.

3) SPACE estimates of retail volume are equally accurate in the two markets.

4) Nearly all of the Ultra Lights' trial volume has come at the expense of Marlboro Lights.

5) No market factors other than Marlboro Lights' performance significantly influence the Ultra Light's trial rates.

TS048/mlk
Distribution:

R. Anise	T. Goodale	R. Medwar	B. Schuyler
T. Beane	J. Henry	E. Merlo	J. Scully
D. Beran	K. Houghton	R. Mikulay	M. Serrano
S. Bloom	E. Houminer	D. Miller	G. Smith
D. Bruno	R. Kohl	J. Myracle	J. Spector
V. Buccellato	J. Kuhlman	D. Nelson	R. Stirlen
E. Butson	J. Lee	B. O'Brien	L. Suwarna
C. Cohen	C. Levy	D. Potter	R. Tomei
D. Dangoor	N. Lund	F. Resnik	E. Van Dyke
K. Eisen	D. Mazzitelli	B. Reuter	B. Weinstein
H. Glastein	L. McCullagh	S. Sabella	L. Wexler
L. Glennie	E. McQuigg	T. Saloun	J. Whitman

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Source: https://www.industrydocuments.ucsf.edu/docs/gndn0004

MARLBORO ULTRA LIGHTS

27–Jul

PORTLAND (RED)

W/E:	TOTAL SHARE	RETAIL AUDITS KINGS SHARE	RETAIL AUDITS 100'S SHARE	% B1G1F	EFF DIST/ OOS	FACTORY SHIPMENTS 4 WK AVG SHARE	4WK ICC SHARE	INFOSCAN SHARE	SPACE DIST
05/07	0.2	0.1	0.1	0	63(–)			0.0	
05/14	0.7	0.3	0.4	13	72(–)	2.19		0.2	68
05/21	1.0	0.5	0.5	25	73(5)	2.26	0.9	0.3	80
05/28	0.9	0.5	0.4	7	74(5)	1.49	1.0	0.3 (P)	86
06/04	1.1	0.5	0.6	10	79(1)	1.38	0.8	0.4 (P)	89
06/11	1.5	0.7	0.8	5	88(1)	0.83	0.8	0.4 (P)	91
06/18	1.6	0.7	0.9	5	89(–)	0.37	0.8	0.4 (P)	93
06/25	1.3	0.6	0.7	12	88(–)	0.33	0.8	0.5 (P)	94
07/02						0.33	0.8	0.6 (P)	94
07/09	1.0	0.5	0.5	4	89(4)	0.33	0.7	1.0 (P)	95
07/16						0.35	0.7		97
07/23	1.3	0.6	0.7	–	89(3)	0.35			
07/30									
08/06									
08/13									
08/20									
08/27									
09/03									
09/10									
09/17									
09/24									

(P) – PRELIMINARY

INDIANAPOLIS (BLUE)

W/E:	TOTAL SHARE	RETAIL AUDITS KINGS SHARE	RETAIL AUDITS 100'S SHARE	% B1G1F	EFF DIST/ OOS	FACTORY SHIPMENTS 4 WK AVG SHARE	4WK ICC SHARE	INFOSCAN SHARE	SPACE DIST
05/07	0.3	0.2	0.1	0	53(5)			0.0	
05/14	0.6	0.3	0.3	0	63(–)	1.40		0.2	67
05/21	1.3	0.8	0.5	15	68(15)	1.19	1.1	0.3	87
05/28	1.0	0.5	0.5	6	73(12)	1.30	1.5	0.5 (P)	89
06/04	1.2	0.7	0.5	17	74(7)	1.42	1.6	0.6 (P)	91
06/11	0.8	0.5	0.3	4	66(9)	1.47	1.4	0.7 (P)	87
06/18	1.5	0.8	0.7	19	73(9)	1.10	1.7	0.8 (P)	89
06/25	1.4	0.8	0.6	5	73(12)	0.88	1.7	1.1 (P)	94
07/02						1.39	1.9	1.0 (P)	95
07/09	1.3	0.7	0.6	3	80(8)	1.43	1.8	1.0 (P)	96
07/16						1.51	1.7		95
07/23	1.6 (P)	1.0	0.6	4	81(8)	1.68			
07/30									
08/06									
08/13									
08/20									
08/27									
09/03									
09/10									
09/17									
09/24									

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